



Testimony for the Human Services Commission

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Good morning. I would like to thank the Chair and the other members of the Illinois Human Services Commission for the opportunity to speak with you today. I am Jennifer Keeling the Director of Policy at the Chicago Jobs Council (CJC). CJC is a coalition of community-based organizations, advocacy groups, businesses and individuals that works to ensure employment and career advancement opportunities for people in poverty. I would like to comment today on both the FY 2012 budget and Budgeting for Results.

The **FY 2012 budget cuts** have crippled the system that is charged with meeting the human service needs of the most vulnerable Illinoisans. Specific to workforce development, federal resources have been starkly reduced and recovery act funds came to an end creating a service "cliff." Earlier this year Congress cut about \$1 billion from workforce funds in the current budget, and as a result, both Illinois and Chicago received about 17% less to provide services to adult job seekers.

State budget reductions have further weakened services. Though some workforce programs were spared, the network of supports for those who earn low wages or those who want to get more education and training is frayed. For example, we learned recently that there are about 12,000 work eligible adults in the state's TANF program, but currently only funding for workforce services for approximately 2,000 of them. This means there aren't even enough resources to help 20% of the most vulnerable adults who are looking for work.

However, Illinois' economy depends on these adults to be prepared for employment. We know that over 50% of jobs in the future in Illinois will require at least some post-secondary education, but only 43% of Illinois' workforce has this level of education or training. More alarming is the fact that nearly two million working age adults in Illinois have only a high school degree or less. Two thirds of the workforce in 2020 is working now, so the basic skills crisis in our current adult workforce is something we need to face. Unfortunately, the types of cuts made to human services, including workforce development, in the FY 2012 budget make it increasingly difficult to do so.

I would now like to turn my comments to the topic of **budgeting for results**. As the Budgeting for Results Commission members work to establish recommendations for outcomes, allocations, and mandated expenditures, they must consider the unique needs of and outcomes for the most disadvantaged job seekers in Illinois. We have learned from past experience that policies and performance measures can have unintended consequences for the most vulnerable participants if their needs are not appropriately taken into consideration at the outset.

This scenario has played out over the past decade in the Workforce Investment Act (WIA) system. The performance measures associated with WIA are job attainment, job retention, and average wages –

all of which seem like logical outcomes. However, there are no nuances to these performance measures to account for the fact that: it will take some individuals much longer to find employment, they may not retain their first job, and their wages may be low due to limited work history. In essence, WIA performance measures favor job-seekers who are almost work-ready and have work histories. As a result, service providers must determine which of their WIA-eligible clients are most likely to help them meet their performance measures. Oftentimes, these are not the clients in the most dire need of employment-related services. This situation would be merely unfortunate if there were some other means for providers to serve those that are not deemed appropriate for WIA. But, this is not the case. In fact, the WIA system is the only federally funded “system” designated to meet the needs of unemployed, disadvantaged job seekers.

I highlighted this example of the unintended consequences of the WIA performance measures because CJC wants to ensure that the budgeting for results process adequately reflects realistic outcomes for Illinois’ most disadvantaged residents. During a time of scarce resources, it would be all too easy to set outcomes and performance measures for the “average” participant, disregarding those with more complicated needs. And it is imperative that this does not happen, because these are the very individuals that the system was created to serve.

Again, thank you for the opportunity to provide these comments. If you have any question, please feel free to contact me: Jennifer Keeling, Director of Policy at jennifer@cjc.net.

The Chicago Jobs Council is a member-based organization that advances public policies to assure employment and career advancement opportunities for people in poverty. www.cjc.net